

Message Text

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PAGE 01 TEHRAN 07184 311137Z
ACTION NEA-10

INFO OCT-01 ISO-00 EB-08 /019 W
-----022898 311311Z /44
R 310315Z JUL 78
FM AMEMBASSY TEHRAN
TO USDOC WASHDC
INFO SECSTATE WASHDC 9572

UNCLAS TEHRAN 07184

E.O. 11652: N/A
TAGS: BBSR, IR
SUBJ: WTDR/FTI: HEPKO

REF: USDOC 08169

1. IRAN
OFFICE USE: 2. 507 3. 4. 01
5. HEPKO
6. 10, SORAYA AVENUE
7. TEHRAN
8. CONTACT: MR. N. YOUSEFI
9. TITLE: ADMINISTRATIVE MANAGER
OTHER OFFICIALS ARE: MR. MAHMOUD REZAI, MANAGING DIRECTOR
10. PHONE: 839360-9 11. TELEX: 213321
12. CABLE: 2411 KCI
13. ESTABL: 1974 14. EMPL: 400 15. SIZE: VERY LARGE
16. REPUTATION: (Y) GOOD 17. RPT DATE: 7/78
OFFICE USE: 18. NA 19. NA 20. X
21. NA 22. NA
23A. 35311/01235 MFG, RET., AGT., DIS. AND IMP. OF OFF-
HIGHWAY WHEEL TRACTORS
23B. 35312/01235 MFG., RET., AGT., DIS. AND IMP. OF TRACK-
LAYING TYPE TRACTORS.
23C. 35313/235 IMP. PARTS AND ATTACHMENTS FOR TRACTORS
AND SHOVEL LOADERS.
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23D. 35317/01235 ASSEMBLER AND IMPORTER, TRACTOR SHOVEL
LOADERS.
23E. 35318/01235 MANUFACTURER AND IMPORTER, SCRAPER,
GRADERS, ROLLERS, OFF-HIGHWAY
24. FOREIGN SALES. LOCAL ONLY
25. FINANCIAL REFS: BANK MELLI IRAN
26. TRADE REFS: SAME AS (27).

27. FOREIGN FIRMS REPRESENTED: DYNAPAC, ROLLER, SWEDEN; SAKAI, ROLLER, JAPAN; POCLAIN, EXCAVATOR, FRANCE; KOMATSU, DOZER, JAPAN; INTERNATIONAL HARVESTER CO., DOZERS AND LOADERS, EXCAVATORS, ILL; INTERNATIONAL HARVESTER, U.K., DOZERS AND LOADERS, EXCAVATORS; INTERNATIONAL HARVESTER, DOZERS, LOADERS, EXCAVATORS, FRG.

28. POST EVALUATION: SUBJECT FIRM WAS ESTABLISHED IN 1974 BY MAHMOUD AND MEHDI REZAI (45 PERCENT), INDUSTRIAL DEVELOPMENT AND RENOVATION ORGANIZATION (IDRO) OF IRANIAN GOVERNMENT (45 PERCENT) AND BANK OMRAN (10 PERCENT) TO MANUFACTURE AND SERVICE CONSTRUCTION MACHINERY IN IRAN. REGISTERED CAPITAL IS RLS. 700 MILLION (DOLS. 10 MILLION) AND ANNUAL SALES RLS. 3 BILLION (DOLS. 52 MILLION). FIRM HAS CONCLUDED LICENSING AGREEMENTS WITH FOREIGN PARTNERS LISTED IN ITEM 27 FOR LOCAL PRODUCTION OF BASIC ITEMS, AND PRODUCTION IN IRANIAN YEAR 2536 (3/77 TO 3/78) WAS 6 BULLDOZERS, 100 EXCAVATORS, 178 FRONTLOADERS, 200 BACKHOES AND 561 ROLLERS. PRODUCTION IN 2537 (3/78 TO 3/79) ESTIMATED AT 37 DOZERS, 28 EXCAVATORS, 24 LOADERS, 50 BACKHOES, AND 310 ROLLERS, WHICH APPROACHES ABSORPTIVE CAPACITY OF IRANIAN MARKET FOR THESE ITEMS. IN ADDITION, FIRM HAS SUCCEEDED IN OBTAINING VETO OVER ANY IMPORTS IN BTN CATEGORY 84.23 (CONSTRUCTION MACHINERY) WITH ARGUMENT THAT IT CAN ASSEMBLE ANY MACHINE FOR WHICH IT DOES NOT YET HAVE LICENSE. HEPKO REMAINS ASSEMBLY TYPE OPERATION, BUT COMPANY IS ANXIOUS TO PROGRESS TO MANUFACTURING

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MANUFACTURING STAGE AS QUICKLY AS POSSIBLE. ALTHOUGH HEPKO PRODUCTS HAVE COME IN FOR CRITICISM ON BASIS OF PRICE, QUALITY, UNAVAILABILITY OF SPARE PARTS AND SERVICE RELATIVE TO IMPORTED PRODUCTS, HEPKO MAINTAINS THAT THEY ARE AWARE OF SHORTCOMINGS AND ATTEMPTING TO REMEDY THEM. HEPKO ENJOYS FULL SUPPORT OF GOI BOTH AS SHAREHOLDER AND IN VIEW OF POTENTIAL LONG TERM SAVINGS OF FOREIGN EXCHANGE WHICH JUSTIFIES SHORT TERM START UP DEFICIENCIES. CREATION OF HEPKO OFFERS FOREIGN SUPPLIERS CHOICE OF CONCLUDING LICENSING AGREEMENT WITH THIS FIRM OR SEARCHING FOR ALTERNATIVE ASSEMBLERS WHICH MAY COMPETE WITH HEPKO. HEPKO IS FINANCIALLY SOUND AND EMBASSY RECOMMENDS FIRM AS TRADE CONTACT. IT IS ACTIVELY SEEKING TO EXPAND RANGE OF EQUIPMENT MANUFACTURED.

29. PREP: D. KASHANI APPR: DAVID E. WESTLEY
NAAS

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
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Control Number: n/a
Copy: SINGLE
Draft Date: 31 jul 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 jan 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978TEHRAN07184
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
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Expiration:
Film Number: D780313-0014
Format: TEL
From: TEHRAN
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ISecure: 1
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Line Count: 111
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Review Media Identifier:
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Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 1883266
Secure: OPEN
Status: NATIVE
Subject: WTDR/FTI: HEP CO
TAGS: BBSR, IR
To: COM
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/ef07586c-c288-dd11-92da-001cc4696bcc
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Declassified/Released
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